

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
FRONTIER HOTELS, INC.,	§	CASE NO. 16-34477
DEBTOR	§	(CHAPTER 11)

NOTICE OF RETURN OF RETAINER CHECK

COMES NOW American First National Bank (“AFNB”), secured creditor and party-in-interest, and provides this Notice of Returned Retainer Check.

1. By Check No. 2499 dated January 12, 2017, Chapter 11 Debtor Frontier Hotels, attempted to pay the Azhar Chaudhary Law Firm \$5,000.00 as a post petition retainer. A true and correct copy of the check is attached.

2. As the check is drawn on an AFNB account, AFNB became aware of the check.

3. The Debtor’s attempt to pay a post petition retainer violates Local Rule 2016-1(b) which provides:

In chapter 11 cases, retainers may be deposited with attorneys or accountants only (i) prior to the filing of the petition; or (ii) pursuant to a Court order, if paid after the filing of the petition

4. Since this is a pending Chapter 11, payment of a retainer is only appropriate pursuant to Court Order. Frontier has not filed a request for a post-petition retainer, much less obtained approval for it to provide the Azhar Chaudhary Law Firm a post-petition retainer.

5. Moreover, the Azhar Chaudhary Law Firm has not filed a Motion to Substitute as Debtor’s counsel, a Disclosure of Compensation or an Application to Employ. As a result, it is unclear what services the Azhar Chaudhary Law Firm purports to provide to the Debtor for the retainer.

6. Further, the attempted payment violates the terms of the Order Authorizing Use of Cash Collateral [Doc 19].

7. Lastly, the Debtor has wholly failed to comply with its administrative responsibility to file monthly operating reports. As a result, Frontier has failed to demonstrate that it has complied

with the terms of the Order Authorizing Use of Cash Collateral. To gather information from the Debtor, contemporaneously with this filing, AFNB will be seeking documents from the Debtor pursuant to a document subpoena.

8. Because the attempted payment violates the Local Rules and the Order Authorizing Use of Cash Collateral and Azhar Chaudhary Law Firm has not filed a Motion to Substitute as Debtor's counsel, a Disclosure of Compensation or an Application to Employ, AFNB returned the retainer check unpaid.

9. AFNB respectfully submits this Notice to the Court and the parties-in-interest.

Respectfully submitted,

By: /s/ John Akard Jr.

JOHN AKARD JR. TBA #00790212

COPLEN & BANKS, PC

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832-237-8600

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ATTORNEYS FOR AMERICAN FIRST
NATIONAL BANK

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Notice of Returned Retainer Check has been served on the parties listed below, by Electronic Submission (ECF) or U.S. mail, first class, postage prepaid, on January 18, 2017.

Debtor:

Frontier Hotels, Inc.
11230 Southwest Freeway
Houston, TX 77031

Former Debtor's Counsel:

James B. Jameson
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Debtor's Purported New Counsel:

Azhar Mahmood Chaudhary
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US Trustee:

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LLC and PFS Tax Lien Trust 2014-1

Parties Filing Proofs of Claim

Harris County
Represented by Counsel

City of Houston
Represented by Counsel

Alief ISD
Represented by Counsel

International Management District
Represented by Counsel

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By: /s/ John Akard Jr.